GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:141
ANSWERED ON:26.02.2008
PROMOTION OF MICRO SMALL AND MEDIUM ENTERPRISES
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Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) the details of schemes for protection and development of micro and small industries;

(b) whether many small scale industries have been closed down during the last few years ;

(c) if so, the details thereof during each of the last three years and in the current year State-wise and Union Territory-wise;

(d) the details of registered small and medium enterprises during the said period

(e) the details of funds allocated and spent under various schemes during each of the last three years and in the current year, State-wise and Union Territory-wise; and

(f) the details of new proposals and schemes formulated by Government to set up Micro, Small and Medium Enterprises in the country for 2008-09?

Answer

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES(SHRI MAHABIR PRASAD)

(a) The promotion and development of Micro, Small and Medium Enterprises (MSMEs) is primarily the function of the respective State Governments. The Central Government, however, supplements the efforts by providing supportive measures by way of enhancing their competitiveness through specific schemes. A statement showing the details of some of the major plan schemes/programmes implemented by the Ministry is at Annexure-I.

(b) to (d) The number of Micro and Small Enterprises has been consistently increasing during the last three years. The estimated number of the erstwhile registered small scale industries (now Micro & Small Enterprises) for the last three years is at Annexure-II. The reports of the three All India Censuses conducted in 1973-74, 1990-91 and 2001-02 provide reliable figures of closure of the small-scale industries that had once been registered. Perusal of the report of the second All India Census reveals that close to 35 per cent of the SSIs registered earlier were found closed during the conduct of the second All India Census, while the third All India Census found that 39 per cent of the earlier registered units were found closed. It is not possible to maintain such centralised data on a year-to-year basis. However, these figures provided by the three All India Censuses also need to be viewed with regard to project life cycle of specific enterprises and other reasons.

(e) The details of funds allocated and spent under all the schemes of the Ministry of Micro, Small & Medium Enterprises (the earlier Ministry of Small Scale Industries and the Ministry of Agro & Rural Industries) is at Annexure-III.

(f) After the announcement of the Package for Promotion of Micro & Small Enterprises in February 2007 and the finalisation of the schemes/programmes under the XI Five Year Plan (2007-12), besides continuing other schemes, the Ministry of Micro, Small & Medium Enterprises, inter alia, has introduced the following new initiatives for the promotion and development of MSMEs:-

(i) The National Manufacturing Competitiveness Programme (NMCP) is proposed to be implemented in industrial clusters in the Public Private Participation (PPP) mode for the enhancement of the competitiveness of the manufacturing sector, particularly the Small and Medium Enterprises. The NMCP is a 10-point initiative including, inter alia, assistance for Industrial Design, introduction of lean manufacturing and technologies, popularisation and attainment of Intellectual Property Rights (IPR), establishment of Business Incubators for nurturing innovative ideas, promotion of the usage of ICT by MSMEs, marketing initiatives, etc.

(ii) The Rajiv Gandhi Udyami Mitra Yojana (RGUMY) for handholding support and nurturing of potential first generation entrepreneurs, who have successfully completed Entrepreneurship Skill Development Programmes (ESDPs) / Skill Development Programmes (SDPs), etc., through different Institutes is being implemented.

(iii) Establishment of Entrepreneurs' Clubs in select universities / business schools to promote entrepreneurship.

(iv) Promotion of the Vertical Shaft Brick Kiln (VSBK) in technology Brick Kilns.

(v) Establishment of a Technology Mission.

(vi) Conduct of exclusive Skill Development Programmes like Entrepreneurial and Skill Development Programmes (ESDPs), Entrepreneurial Development Programmes (EDPs), etc., for the disadvantaged sections of the society, particularly those belonging to SC/ST/women/physically challenged through the MSME Development Institutes.

(vii) Implementation of the Prime Minister's Rozgar Yojana (PMRY) with the revised parameters for higher utilisation and reach, etc.